



## **Motor Vehicles Taxation (Punjab) Act, 1924**

**Act 4 of 1924**

**Keyword(s):**

**Motor Vehicle, Token, Tax**

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'THE PUNJAB MOTOR-VEHICLES TAXATION  
ACT, 1924.

## PUNJAB ACT IV OF 1924.

*[Received the assent of the Governor of the Punjab on the 25th November, 1924, and that of the Governor-General on the 25th January, 1925, and was first published<sup>2</sup> in the Punjab Gazette of the 30th January, 1925.]*

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
1924	IV	The Punjab Motor-Vehicles Taxation Act, 1924.	<p>Amended by Punjab Act X of 1925<sup>3</sup>.</p> <p>Amended by the Government of India (Adaptation of Indian Laws) Order, 1937.</p> <p>Amended by the Punjab Act II of 1940.<sup>4</sup></p> <p>Amended by the Indian Independence (Adaptation of Bengal and Punjab Acts) Order, 1948 (G.G.O. 40)</p> <p>Amended by the Adaptation of Laws Order, 1950</p> <p>Amended by the Adaptation of Laws (Third Amendment) Order, 1951</p> <p>Amended by Punjab Act 14 of 1954<sup>5</sup></p> <p>Extended to the territories which immediately before the 1st November, 1956, were comprised in the State of Patiala and East Punjab States Union by Punjab Act 5 of 1957<sup>6</sup></p>

1. For Statement of Objects and Reasons, see *Punjab Gazette*, 1924, Part I, pages 64-65, for Select Committee's Report, see *Punjab Gazette*, Extraordinary, 1924, pages 13-20 ; for Proceedings in Council see *Punjab Legislative Council Debates*, Vol. VI, pages 372-79, and 574 and Vol. VII, pages 309-16 and 332-39.
2. See *Punjab Gazette*, 1925, Part I, pages 60-65.
3. For Statement of Objects and Reasons, see *Punjab Gazette*, 1925, Extraordinary, page 72, and for Proceedings in Council, see *Punjab Legislative Council Debates*, Volume VIII-B, pages 1298-99.
4. For Statement of Objects and Reasons, see *Punjab Gazette*, 1940, Extraordinary, page 200 ; and for Proceedings in the Assembly, see *Punjab Legislative Assembly Debates*, Volume XI, p. 557, and Volume XI-A, pp. 270-93, and 364-89.
5. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), dated the 30th April, 1954.
6. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), 1957, page 339.

1	2	3	4
Year	No.	Short title	Whether repealed or otherwise affected by legislation
			Amended by Punjab Act 30 of 1961 <sup>1</sup>
			Amended by Punjab Act 5 of 1963 <sup>2</sup>
			Amended by Punjab Act 32 of 1963 <sup>3</sup>
			Amended by Punjab Act 25 of 1964 <sup>4</sup>
			Amended by Punjab Act 25 of 1965 <sup>5</sup>
			Amended by Haryana Adaptation of Laws (State and Concurrent Subjects ) Order, 1968 <sup>6</sup>
			Amended by Haryana Act 8 of 1970 <sup>7</sup>
			Amended by Haryana Act 16 of 1971 <sup>8</sup>
			Amended by Haryana Act 17 of 1972 <sup>9</sup>
			Amended by Haryana Act 4 of 1973 <sup>10</sup>
			Amended by Haryana Act 13 of 1973 <sup>11</sup>
			Amended by Haryana Act 4 of 1989 <sup>12</sup>

PUNJAB ACT IV OF 1924.

*An Act to impose a tax on motor-vehicles in [Haryana]*

WHEREAS it is expedient to impose a tax on motor-vehicles in  
[Haryana] and whereas the previous sanction of the Governor-General  
under sub-section (3) of section 80-A of the Government of India Act has  
been obtained;

1. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), 1961, page 1311.
2. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), dated 29th March, 1963, page 9.
3. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), 1963, page 1164.
4. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), 1964, pages 935-937.
5. For Statement of Objects and Reasons, see *Punjab Gazette* (Extra.), November 23, 1955, page 89.
6. See *Haryana Gazette* (Extra.), dated the 29th October, 1968.
7. For Statement of Objects and Reasons, see *Haryana Gazette* (Extra.), March 24, 1970, page 17.
8. For Statement of Objects and Reasons, see *Haryana Gazette* (Extra.), dated the 19th March, 1971, page 53.
9. For Statement of Objects and Reasons, see *Haryana Government Gazette* (Extra.), dated the 3rd August, 1972, page 920.
10. For Statement of Objects and Reasons, see *Haryana Government Gazette* (Extra.), dated the 2nd March, 1973, page 232.
11. For Statement of Objects and Reasons, see *Haryana Government Gazette* (Extra.), dated the 4th April, 1973, page 821.
12. For Statement of Objects and Reasons, see *Haryana Government Gazette* (Extra.), dated the 8th March, 1989, page 507.

It is hereby enacted as follows:—

1. (1) This Act may be called the Punjab Motor-Vehicles Taxation Act, 1924.

Short title,  
extent and  
commencement.

(2) It extends to [Haryana].

(3) It shall come into force on the 1st day of April, 1925, <sup>2</sup>[in the principal territories and on the 3rd April, 1957, in the transferred territories.]

2. In this Act, unless there is anything repugnant in the subject or context—

Definitions.

(a) "licensing officer" means a person appointed by the <sup>3</sup>[State] Government to perform the duties and exercise the powers imposed or conferred upon a licensing officer under this Act;

(b) "motor-vehicle" includes a vehicle, carriage or other means of conveyance propelled, or which may be propelled, on a road by electrical or mechanical power either entirely or partially;

(c) "prescribed" means prescribed by rules made under this Act;

(d) "tax" means the tax imposed under this Act;

<sup>4</sup>[(e) "token" means a ticket to be displayed on a motor vehicle as an indication that the tax leviable thereon has been duly paid or that no tax is payable.]

3. (1) A tax shall be leviable on every motor-vehicle in equal instalments for quarterly periods commencing on the first day of April, the first day of July, the first day of October, and the first day of January, at <sup>5</sup>[such rates, not exceeding <sup>6</sup>[thirty five thousand rupees] per vehicle for a period of one year, as the State Government may by notification direct :

Imposition  
of tax.

1. Substituted for the word "Punjab" by Haryana Adaption of Laws Order, 1968.

2. Inserted by Haryana Adaptation of Laws Order, 1968.

3. Substituted for the word "Provincial" by the Adaptation of Laws Order, 1950.

4. Inserted by Punjab Act II of 1940, section 2.

5. Substituted for the word "an officer" by Punjab Act 30 of 1961.

6. Substituted for "two thousand and two hundred and fifty" by Punjab Act 25 of 1965, and taken effect from 1st January, 1966.

7. Substituted for the words "rupees four thousand and two hundred" by Haryana Act 16 of 1971 and further substituted by Haryana Act 4 of 1973.

Provided that any broken period in such quarterly periods shall, for the purpose of levying the tax, be considered as a full period :

<sup>1</sup>[ Provided further that on every motor vehicle, not exempt under an Inter-State agreement entered into under section 63 of the Motor Vehicles Act, 1939, entering the State of Haryana against a temporary permit issued for a period not exceeding fifteen days, the tax shall be levied equal to one-twenty-fifth of the tax payable per vehicle for a period of one year:]

<sup>2</sup>[Provided further that the tax on cars, motor-cycles and other two wheeler motor vehicles used for personal purposes shall be leviable in lumpsum as one time tax, as may be prescribed.]

(2) The tax shall be paid upon a license to be taken out and paid for under the provisions of this Act by the person who keeps the motor-vehicle for use.

Obligation of persons keeping motor-vehicles to make declaration and to pay tax.

4. (1) Every person who keeps a motor-vehicle for use shall fill up and sign a declaration in the prescribed form, stating the prescribed particulars, and shall deliver the declaration as filled up and signed by him to the licensing officer before the 30th day of April, 1925, or if such person commences to keep the motor-vehicle for use after the 10th day of April, 1925, then before the expiration of 21 days from the day of his commencing to keep the motor-vehicle for use.

(2) The tax to which he appears by such declaration to be liable shall be paid by the person keeping the motor-vehicle, if for the first quarterly period before the 30th day of April, if for the second quarterly period before the 31st day of July, if for the third quarterly period before the 31st day of October, and if for the fourth quarterly period before the 31st day of January:

Provided that if such person commences to keep the motor-vehicle for use after the 10th day of April, 1925, he shall pay the first instalment due before the expiration of 21 days from the day of his commencing to keep the motor-vehicle for use.

(3) Every person who owns any motor-vehicle which is let for hire shall, for the purposes of this Act, be deemed to be person who keeps the motor-vehicle for use.

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1. Inserted by Haryana Act 13 of 1973.

2. Added by Haryana Act 4 of 1989.

5. Whenever any person, who has delivered a declaration under the preceding section becomes liable to an additional tax by reason of his keeping a greater number of motor-vehicles for use than he has stated in the declaration, or by reason of any change in the character of any motor-vehicle kept by him for use, he shall fill up and sign an additional declaration specifying with reference to such liability the particulars required by the preceding section.

Such person shall deliver the additional declaration so filled up and signed and pay such additional tax as by the last mentioned declaration appears to be payable by him to the licensing officer before the expiration of 21 days from the day of his becoming so liable as aforesaid :

Provided that when payment is made of additional tax by reason of any change in the character of any motor-vehicle, an allowance shall be made for the tax already paid.

6. The licensing officer may direct a special notice to be served upon any person requiring such person to fill up, sign and deliver to the officer named in such notice, a form of declaration, to be left with such notice, stating whether such person is or is not liable to the payment of any tax and to pay the tax to which he appears by such declaration to be liable to the person named therein before the expiration of 14 days from the date of the service of such special notice.

7. Every licensing officer shall grant and deliver to every person who pays to him the first instalment of tax due, a license in which shall be specified the particulars of the tax paid, with any other particulars that may be prescribed. The license shall be dated on the day of granting the same and shall expire on the 31st day of March next following.

7-A. Notwithstanding anything contained in this Act or the rules made thereunder,—

(a) no licence under section 7 in respect of a motor-vehicle, as defined in clause (i) of section 2 of the Punjab Passengers and Goods Taxation Act, 1952, shall be granted by the licensing officer to any person to whom a registration certificate in respect of such motor-vehicle under that Act has been granted and if the registration certificate under that Act is cancelled or suspended, the licence under this Act

Obligation to make additional declaration and to pay further tax.

Service of special notice to make declaration and to pay tax.

Grant of license.

Registration certificate under Punjab Act 16 of 1952 to be condition precedent for grant of license or token under this Act.

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1. Inserted by Punjab Act 5 of 1963.

shall be deemed to be cancelled or suspended, as the case may be; and

'[(b) no token for the payment of tax for any quarterly period under this Act shall be issued to any person in respect of a motor vehicle referred to in clause (a) unless the authority issuing the token is satisfied that such person has —

- (i) paid the tax under that Act in respect of such motor vehicle for such quarterly period; or
- (ii) opted to pay the tax on the basis of actual fare or freight.]

**8.** (1) If a person (a) fails to deliver a declaration in accordance with the provisions of this Act, or (b) delivers a declaration wherein the particulars prescribed to be therein set forth are not fully and truly stated, the licensing officer may, after making such enquiry as he deems fit and after hearing the person if he desires to be heard, impose on such person any tax or additional tax for such quarterly period or periods as the licensing officer may find that such person is liable to pay under the provisions of the Act and may also impose a penalty which may extend to twice the amount of the tax at which he is found liable.

(2) The tax or additional tax imposed shall be payable before the expiry of fourteen days from the date of the licensing officer's order.

**9. Whoever—**

- (a) keeps a motor-vehicle for use without having a proper license, or
- (b) neglects or refuses to pay any amount of tax to which he is liable within one month from the expiration of the period fixed for such payment,

shall be liable to pay, in addition to any arrear of tax that may be due from him, a penalty which may extend to twice the amount of the tax to which he is liable.

**10.** Any tax or additional tax imposed under the provisions of section 8 or section 9 may be recovered in the manner provided in section 11 for the recovery of an arrear of tax.

Penalty for omission to comply with the provisions of section 4.

Penalty for keeping a motor-vehicle without a license or failure to pay tax.

Recovery of tax or additional tax imposed under section 8 or section 9.

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1. Substituted by Haryana Act 17 of 1972.

11. When a person neglects or refuses to pay an instalment of tax within one month from the expiration of the period fixed for such payment, the licensing officer may forward to the Collector a certificate under his signature specifying the amount of the arrears due from the person, and the Collector on receipt of such certificate shall proceed to recover from such person the amount specified therein as if it were an arrear of land revenue.

Recovery of  
an arrear of  
tax.

12. Any person aggrieved by an order relating to the assessment, imposition or recovery of the tax or penalty may, within a period of thirty days from the date of such order, appeal from such order to the Collector, or if the Collector is the officer who passed such order then to the Commissioner. The appellate order of the Collector or Commissioner (as the case may be) shall be final and conclusive.

Appeals.

13. (1) The [State] Government may by rule or order exempt a person or class of persons from liability to pay the whole or part of the tax in respect of any motor-vehicle or class of motor-vehicles, and may in like manner exclude any motor-vehicle or class of motor-vehicles from the operation of this Act.

Exemptions  
and  
deductions.

(2) Whoever becomes liable to pay a quarterly instalment of tax, but proves to the satisfaction of the licensing officer that he has not used or permitted the use of the motor-vehicle throughout the quarterly period preceding shall be entitled to receive an order in writing from the licensing officer exempting him from liability to pay such first mentioned quarterly instalment, and the licensing officer shall make an endorsement to that effect upon the license.

(3) Whoever becomes liable to pay a quarterly instalment of tax in respect of motor-vehicle, but proves to the satisfaction of the licensing officer that he has paid a [tax imposed by a municipality or a cantonment authority] in respect of the same motor vehicle, and for the whole or part of the quarter for which the instalment of tax is due, then half the amount of the municipal tax paid for the said period shall be deducted from the quarterly instalment of tax, and the licensing officer shall make an endorsement to that effect upon the license.

1. Substituted for the word "Provincial" by the Adaptation of Laws Order, 1950.

2. Substituted for the words "municipal tax" by the Punjab Motor-Vehicles Taxation (Amendment) Act, 1925 (Punjab Act X of 1925) section 2.

<sup>7</sup>(4) A person who keeps more than ten motor-vehicles for use solely in the course of trade and industry shall be entitled to a deduction of ten per cent on the aggregate amount of tax to which he is liable.

*Explanation.*—The expression “trade and industry” includes transport for hire.

[ \* \* \* \* ]

<sup>8</sup>[(6) A person who pays tax in respect of a motor-vehicle or whole of the financial year, that is four quarterly periods referred to in sub-section (1) of section 3 in advance shall be entitle to a deduction of five per centum on the amount of annual tax payable by him.]

Bar to jurisdiction of civil and criminal courts in matters of taxation.

Power of State Government to make rules.

14. The liability of a person to pay the tax or penalty shall not be determined or questioned in any other manner or of any other authority than is provided in this Act or in rules made thereunder, and no prosecution, suit or other proceeding shall lie against any Government officer for anything in good faith done or intended to be done under this Act.

15. (1) The [State] Government may after previous publication make <sup>2</sup>rules for the purpose of carrying into effect the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, the [State] Government may make rules for all or any of the following purposes, namely :—

(a) to prescribe the form of any declaration, license, certificate or special notice and the particulars to be stated therein,

(b) to prescribe the officers by whom any duties are to be performed and the area in which they shall exercise their authority,

1. Substituted for the word “Provincial” by the Adaption of Laws Order, 1950.
2. For rules see notification No. 7083, dated 18th March, 1925, Punjab Gazette, 1925, Part I, page 177 ; No. 8576, dated 18th March, 1926, Punjab Gazette, 1926, Part I, page 254, and No. 18617, dated 14th June, 1926, Punjab Gazette, 1926, Part I, page 583.
3. Inserted by Haryana Act 8 of 1970.
4. Omitted by Haryana Act 4 of 1973.

- (c) to provide for the total or partial exemption for a limited period from liability to taxation in respect of any motor-vehicle brought into [Haryana] by persons making only a temporary stay in [Haryana],
- (d) to regulate the method of assessing and recovering the tax,
- (e) to regulate the manner in which special notices may be served,
- (f) to regulate the extent to which licenses may be transferred,
- (g) to regulate the manner in which exemptions or refunds may be claimed and granted,
- (h) to regulate the manner in which appeals may be instituted and heard,
- [i) to require that no motor-vehicle shall be used in the [State] unless a token is displayed thereon indicating that the tax has been duly paid or that the owner of the vehicle is entitled to exemption,
- (j) to prescribe the form of tokens and the manner in which they shall be displayed,
- (k) to provide for the issue of token and its duplicate.]

<sup>4</sup>[16. (1) In making any rule under the preceding section the [State]Government may direct that any person contravening the rule shall be punishable with fine which may extend to twenty rupees and in the event of any subsequent conviction for the same offence, with a fine which may extend to a hundred rupees.

(2) No court inferior to that of a <sup>5</sup>[Judicial] Magistrate of the second class, shall try any offence punishable under this Act.]

<sup>6</sup>[\* \* \* \* \* ].

1. Substituted for the word "Punjab" by Adaptation of Laws Order, 1968.

2. Inserted by Punjab Act II of 1940, section 3.

3. Substituted by Adaptation of Laws Order, 1950, for "Province".

4. Added by Punjab Act III of 1940, section 4.

5. Inserted by Punjab Act No. 25 of 1964.

6. Schedule omitted by Punjab Act No. XIV of 1954.